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News Release

FOR IMMEDIATE RELEASE
Wednesday, Nov. 4, 2009
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Owner of personal care provider, two assistants indicted for stealing \$89,000 from Medicaid

A federal indictment was unsealed today alleging the owner of Advance Home Health and two of the company's personal care assistants fraudulently obtained more than \$89,000 from Medicaid. The indictment indicates the three defendants in this case caused the submission of reimbursement claims for personal care services not actually rendered. The indictment, filed on October 20, 2009, was unsealed following today's initial court appearances of the last defendant to be arrested.

Patrick Daniel Osei, 49, Brooklyn Park, was charged with one count of conspiracy to commit health care fraud, fifteen counts of health care fraud, and four counts of illegal remuneration. Crecida Marie Cade, 47, Fridley, was charged with one count of conspiracy and six counts of health care fraud. Sabrina Marie Peterson, 38, Minneapolis, was charged with one count of conspiracy and nine counts of health care fraud. Osei is the owner of Advance Home Health, and Cade and Peterson were personal care assistants. Advance is a personal care provider located in Brooklyn Park.

The indictment alleges that from September 2007 through September 2009, the three defendants conspired to defraud Medicaid by causing the submission of false claims to the Minnesota Department of Human Services for in-home personal care that had not in fact been rendered to Medicaid beneficiaries. The Medicaid program, which is a federal program administered in Minnesota by the Minnesota Department of Human Services, provides medical care and services to low-income people who meet certain income and eligibility requirements.

In addition to submitting false claims, the defendants caused payments to be delivered to Medicaid recipients in exchange for allowing Advance to bill for PCA services that were never provided. The indictment also alleges Osei paid someone to recruit Medicaid beneficiaries to sign up with Advance, and both Cade and Peterson received paychecks from Advance that included payment for hours billed to Medicaid that were never worked. In support of the scheme,

false documents were prepared, including PCA time cards.

Some examples of the fraud are as follows:

* On October 15, 2007, Peterson allegedly told Client 1 she would give him \$800 if he signed two time cards that showed PCA services were provided even though services were not provided.

* From October 1, 2007, through September 21, 2009, claims of 5,352 hours for personal care services to Client 1 were allegedly submitted to Medicaid even though fewer than five hours of services were actually provided. As a result, Medicaid paid Advance \$84,497.54.

* On January 16, 2008, Osei allegedly met with Client 1 and Client 2, who said he wanted the same arrangement as Client 1. Cade met with Client 2 on January 21, 2008, offered payments of \$175 for each pay period, and allegedly said she wanted to visit Client 2's residence once per week to make it appear services were being provided because she said the state is known to watch PCAs.

* From January 21, 2008, to March 26, 2008, claims showing 330 hours of PCA services for Client 2 were submitted even though services were never provided. As a result of those false claims, Medicaid paid Advance \$5,253.60.

If convicted, the three defendants face a potential maximum penalty of five years in prison on the conspiracy count and 10 years on each health care fraud count. All sentences are determined by a federal district court judge.

This case is the result of an investigation by the Federal Bureau of Investigation and the U.S. Department of Health and Human Services-Office of Inspector General. It is being prosecuted by Assistant U.S. Attorney David M. Genrich.

According to the Justice Department, health care fraud investigations have been growing, and on May 20, the Department announced the formation of a senior-level task force to tackle the problem nationwide. The Health Care Fraud Prevention and Enforcement Action Team, represented by the departments of Justice and Health and Human Services, will look at how to share more effectively real-time intelligence data on health care fraud patterns as well as critical information about health care services, pharmaceuticals, and medical devices. In 2008, the Justice Department filed criminal charges in 502 health care fraud cases involving 797 defendants.

In Minnesota, the United States Attorney's Office is also participating in a task force with the Minnesota Attorney General Office's Medicaid Fraud Control Unit that focuses on home health care fraud. The task force includes the U.S. Department of Health and Human Services-Office of Inspector General, the Federal Bureau of Investigation, the Internal Revenue Service, and other federal, state and local law enforcement partners.

An indictment is a determination by a grand jury that there is probable cause to believe that offenses have been committed by a defendant. A defendant, of course, is presumed innocent until he or she pleads guilty or is proven guilty at trial.

